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UNITED STATES DISTRICT COURT 2004 MAR 15 P 4: 07 FOR THE DISTRICT OF NEW JERSEY

UNITED STATES

ARCII PERSONAL CARE PRODUCTS, : L.P., :

Plaintiff,

v.

Civil Action No. 02-3148 (JAP)

: JUDGMENT AND ORDER

Defendants.

The issues in the above-entitled action having duly come on for trial on January 20, 2004 through March 1, 2004 before the Honorable Joel A. Pisano and a jury, held at the United States Courthouse located at 50 Walnut Street, Newark, New Jersey, and the plaintiff having appeared by its attorneys, Kelley Drye & Warren LLP, and the defendants, Ivar W. Malmstrom, Jr., Brooks Industries, Inc., and Small Computer Systems, Inc., having appeared by Drinker Biddle & Reath, LLP and defendant Susanne Malmstrom having appeared by Maria D. Noto, Esq., and the issues having been duly tried to a jury, and the jury having rendered a verdict on March 1, 2004 in favor of the plaintiff, IT IS HEREBY

ADJUDGED that plaintiff Arch Personal Care Products, L.P. ("Arch") recover against defendant Ivar W. Malmstrom, Jr. for breach of contract, the amount of six million six hundred thousand dollars (\$6,600,000.00) plus post-judgment interest at the rate of 1.23 % pursuant to 28 U.S.C.A § 1961(a) from the date of judgment until the date of payment, and that plaintiff shall have execution therefore; and it is further

ADJUDGED that, pursuant to N.J.S.A. § 25:2-30(b), plaintiff Arch recover against defendant Susanne Malmstrom six million six hundred thousand dollars (\$6,600,000.00), plus post-judgment interest at the rate of 1.23 % pursuant to 28 U.S.C.A § 1961(a) from the date of judgment until the date of payment, or whatever sum is necessary to fully satisfy the judgment against Ivar W. Malmstrom, Jr., whichever is less, and that plaintiff shall have execution therefore; and it is further

ADJUDGED that the transfers from Ivar W. Malmstrom, Jr. to Susanne Malmstrom of seventeen million dollars (\$17,000,000.00) and the real properties located at 1 Blue Bell Road and 238 St. Nicholas Avenue, which were found to have been fraudulently conveyed in violation of N.J.S.A. §§ 25:2-25(a), (b) and 25:2-27, shall be avoided pursuant to N.J.S.A. § 25:2-29(a)(1); and it is further

ADJUDGED that plaintiff Arch recover against defendant Small Computer Systems, Inc. the sum of four hundred fifty thousand dollars (\$450,000.00) plus post-judgment interest at the rate of 1.23 % pursuant to 28 U.S.C.A. § 1961(a) from the date of judgment until the date of payment and that plaintiff shall have execution therefore; and it is further

ORDERED that this Judgment and Order covers the monetary damages awarded to Arch only and a further Judgment and Order with respect to equitable and other forms of relief and any award of attorney's fees and costs, including a Judgment and Order with respect to any relief pursuant to this Court's finding of Contempt against Ivar W. Malmstrom, Jr., will be forthcoming.

SO ORDERED:

Hon. Joel A. Pisano

<u>3</u>/15/04

Orig:

Clerk

cc:

Judge Arleo

All parties

File